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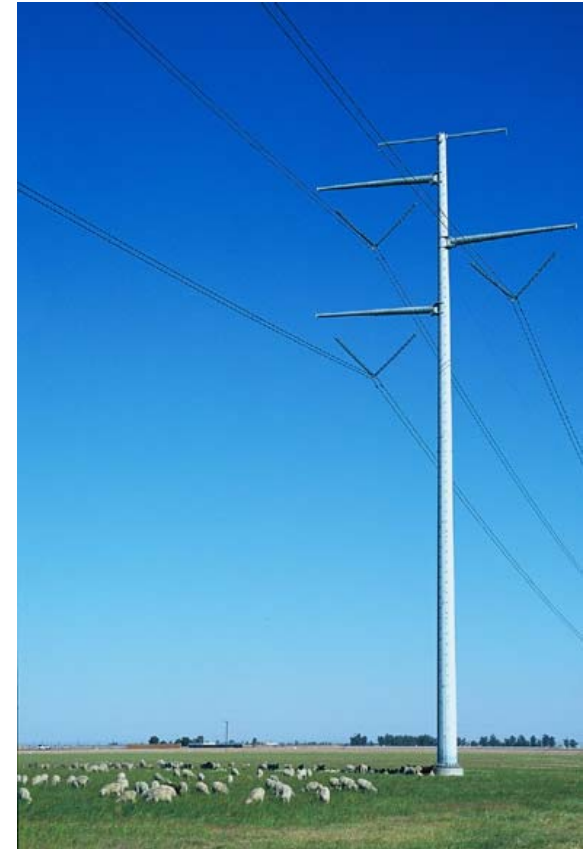
# ***Part I – 500 kV Transmission Line Project Update***

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**May 19, 2005**

# *Adding A New 500 kV Transmission Line*



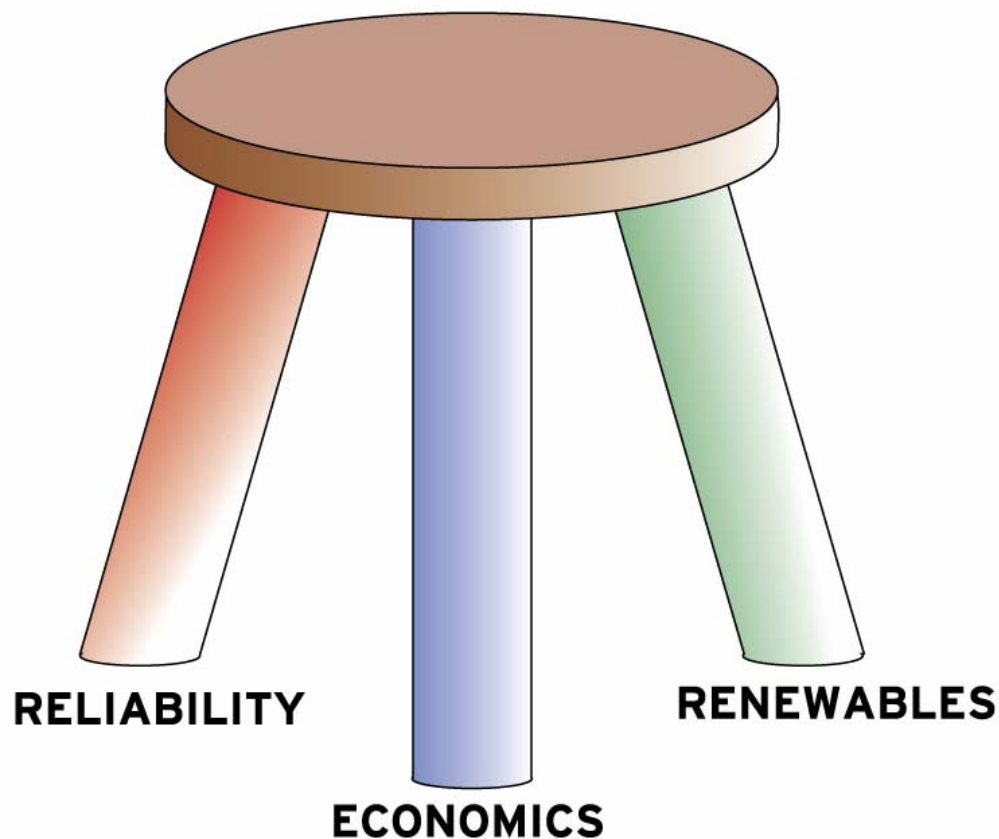
- The San Diego region has only one 500 kV transmission line (SWPL) serving the San Diego region
- Our region will need a new 500 kV transmission line for future reliability ***as early as 2010***
- In addition to reliability benefits, a new 500 kV transmission line is needed to provide lower cost power and access to renewable energy



# *Transmission Lines Are The Vital Link*



## **What Drives the Need for New Transmission**





## *500 kV Project – Recent Progress*



- SDG&E completed a feasibility study (Dec 03) that looked at potential land use constraints and opportunities for siting a new 500 kV transmission line
- SDG&E filed its Long Term Resource Plan (July 04) that identified a new 500 kV transmission line is need as early as 2010
- Kicked-off 500 kV technical study at STEP (Oct 04) with CAISO, CEC, CPUC and other stakeholders
- CPUC approved SDG&E's Long-Term Resource Plan (DEC 04) and encouraged us to continue studying new transmission and benefits
- SDG&E presented technical study results at STEP (May 05) that identified a preferred alternative for a new 500 kV transmission line

# CA-ISO STEP Study



## How the STEP study works...

- Stakeholder Input
  - 22 participants served on a Technical Working Group
- Presentation made to STEP on April 27
  - Ad-hoc study group of Arizona, Nevada, Mexico and So California
  - Open and public process
- Primary focus was on the technical performance of the transmission alternatives
- 18 Alternatives were evaluated
  - 9 Alternatives requested by Stakeholders
  - Alternatives narrowed down to four by Technical Working Group
- A new 500 kV project from Imperial to San Diego and Full Loop to Riverside option identified as Preferred Alternatives

# CA-ISO STEP Study Cont.



## Next Steps

- Issue final study report this month
- Continue technical studies:
  - Detailed feasibility studies
  - Full economic studies
  - Import and engineering analysis
- CAISO Board approval of a preferred alternative
- Begin routing studies and environmental analysis

## *What's Next: Routing, Engineering and Outreach*



- SDG&E is evaluating firms to conduct routing, engineering and public outreach for a new 500 kV transmission line project
- We are working with stakeholders to finalize need for a new 500 kV transmission line as soon as possible
- We are committed to working with the community, resource agencies and environmental groups on routing solutions

# Challenges Ahead



## What are some of the challenges to building a new 500 kV Transmission Line ?

- **Uncertain and lengthy approval process**
  - Takes 5 years to plan, permit and build
  - Multiple governmental agencies involved
- **Community impacts**
  - Transmission improvements harder to complete even in existing utility rights-of-way
- **Lack of available land**
  - New residential developments and growing communities limit transmission siting opportunities
  - Collaboration needed with federal, state, and local jurisdictions



# *Outreach is Under Way*



## **SDG&E is reaching out to others on the need for a new 500 kV transmission line**

- We are seeking input from throughout the region in an open and public process
- SDG&E is committed to working with energy experts, environmental groups, local elected officials, SANDAG, businesses and individual customers
- Local support is critical to planning and building new transmission



# *State Agency Support is Vital*



## **Statewide support and coordination will be vital**

- The CEC has a vital role in evaluating and adopting strategies this year for transmission planning
- The CA-ISO evaluates and determines projects need for overall system benefit
- The CPUC approves new transmission projects for IOU's
- Transmission corridors may help in the future, but SDG&E's 500 kV project must move forward today

